



ORIGINAL  
STATE OF SOUTH DAKOTA  
WILLIAM J. JANKLOW, GOVERNOR



January 24, 2002

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Michael K. Powell, Chairman  
Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

01-348

Dear Mr. Powell:

The pending merger between EchoStar Communications and Hughes Electronics, over which your agency has regulatory approval, is an important and significant step in the provision of pay television in our country and in my State of South Dakota.

As Governor of South Dakota, and as a former State Attorney General, it has always been my first priority to look after the interests of our state's citizens. The merger between America's two largest satellite television providers, DISH Network (EchoStar) and DirecTV (Hughes), can be a benefit to our citizens as consumers if implemented properly. I hope you will evaluate the benefits of the merger on its merits and adopt a plan that ensures competition in the pay television industry as a whole and protects those subscribers with no pay television alternatives.

There are approximately 68,000 households in South Dakota that subscribe to pay television from satellite providers, primarily DISH Network and DirecTV. While many of these customers have cable television as a competitive option for service (and will have after the merger), many do not. In many of our small towns and rural areas, satellite-based pay television is the only option. In order for all consumers to continue to receive the benefits of competition in the pay television industry, it is vital that the merged EchoStar entity price its services, as they do now, on a nationwide pricing basis. In so doing, all consumers benefit from the satellite-based television prices that are determined by taking into consideration the extensive competition that exists in most areas of the country.

The potential benefits of the proposed merger, such as enhanced services and more local station broadcasts, are considerable. They should be intensively evaluated along with a nationwide pricing model that will help ensure competitive prices in states like South Dakota.

Thank you for your consideration of my policy views on this pending merger.

Sincerely,

William J. Janklow

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